

Market Briefing Webinar Overview

March 2021

Taiwan Highlights

- **Taiwan overview**

- Capital: Taipei
- Land area: 36,000 sq km
- Official language(s): Mandarin
- Currency: New Taiwan dollar
- Population (millions): 23.6
- GDP (Billions USD): \$611.3
- GDP Per Capita (USD): \$25,909
- 2020 Economic Growth Rate: 3.11%
- 2021 Economic Growth Rate: 4.64% est.
- Avg 5-year Economic Growth Rate: 2.5%
- Exchange rate: 1 USD = 28.40 NTD

- **Market GDP and Growth rate**

- Taiwan ranked as the world's 21st largest economy and the 5th largest economy in Asia. (IMF GDP 2019); 2019 GDP of \$586 billion
- Growth rate - 2020 economy grew 3.11%, ranking Taiwan the fastest growing economy in Asia in 2020. 2021 growth estimated at 4.64% (DGBAS)

- **Food Processing Industry**

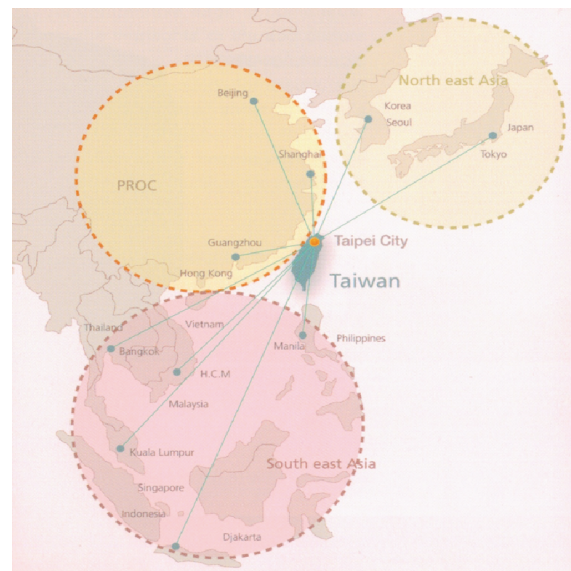
- The food processing industry is shifting to easy-to-prepare meals, healthier options, clean labels and other initiatives as a result of consumers' preference for convenience and a growing interest in food safety.

- **Food Retail Industry**

- Taiwan's food and beverage sales topped US\$38.8 billion in 2019. The upward sales trend is due to the expansion of retail outlets, dominated by 7-11, Family Mart, Costco, PX Mart and Carrefour.

- **Food Service Industry**

- The foodservice sector has enjoyed stable growth over the past decade. The economic output of Taiwan's foodservice sector (excluding institutional food service) was estimated at \$26.2 billion in 2019.



-
- **Products with Potential Growth in Taiwan**
 - The growth of U.S. food and agricultural exports to Taiwan are mostly high-value consumer-oriented products. While U.S. bulk commodity product exports are facing more competition from countries with lower costs, U.S. exports of consumer-oriented products, such as meat, poultry, and fresh fruits, continue to grow. Other products with good prospects include: Milk & Cheese, Tree Nuts, Fresh Vegetables, Lobsters, Pet Food, Potatoes (French Fries), Coffee (Roasted)
 - **Market Trends**
 - Changes in Sales and Marketing
 - Consumers are becoming more health-conscious.
 - Business to consumer (B2C) online shopping is expanding robustly. Group buying, online shopping apps, and several new types of e-commerce shopping business models have enjoyed massive growth in recent years.
 - Organic Foods Sector
 - Currently, a dominant trend in Taiwan is the demand for healthier products and healthier lifestyles. Organic food is becoming popular in Taiwan as consumers crave natural and environmentally friendly products, and the organic sector in Taiwan is rapidly growing.
 - On June 4, 2020, the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States signed and exchanged letters on behalf of the United States and Taiwan inaugurating a new organic equivalence arrangement, effective May 30, 2020, allowing organic products certified in the United States or Taiwan to be sold as organic in either market.
 - **Import Regulations**
 - Foods Standards and Regulations
 - Taiwan's Ministry of Health and Welfare (MOHW) is the central competent authority responsible for the management of food safety. Taiwan's Food and Drug Administration (TFDA) is modeled after the U.S. FDA and is an agency within MOHW. TFDA is responsible for the border inspection of food products. TFDA officials are increasingly involved in ensuring food labeling compliance.
 - Many of Taiwan's sanitary and phytosanitary (SPS) standards are different from U.S. standards or those established by international standards-setting bodies.
 - Labeling Requirements
 - TFDA oversees food and beverage labeling requirements. All packaged food products must carry a general label and most of them also require a nutritional label. Both labels should use traditional Chinese characters; English labeling is optional.
 - **COVID-19 Update**
 - COVID-19 may dampen overall agricultural imports but Taiwan will remain a stable export destination for U.S. food and agricultural products.